#21-00204 79720

LH m

ā

SEP 24

6

## Vol. M8r

Page

17404

# After recording please return to Klamath First Federal

Klamath Falls, OR 97601 Any amounts through by hander under this paragraph 7 shell become all through denies. Burrows, second sides the edder most mee achea under this preastraph. 7. Lender does not have to de so Instantion, Application operation for an example attentions. It is not enformed in the Repetry to make operation of a standard method in the standard in the stand n, inc Property: Leinier's rectains manine mainly paying any suits sectored to a first which has mainly ever the dominant for the dominant for an and supervised and supervised

secondaria dia agreementa contrata in the contrata instrument, of there is a legal proceeding that they again and the contratation of the contrata The ant antenness contained in this Sectories Inclusions on theories had income the data and political factors of the antenness of the political sectors in the Sectories Inclusion on the political sectors in the Sectories Inclusion on the political sectors in the sector of the political sectors in the political L Subscious de l'entres de la Barter de la Barter de la Constant d

THIS DEED OF TRUST ("Security Instrument") is made on September 23 19.87. The grantor is DAVID A. LONDEORG and QUOVET C. TONDEORG; Husband and Wife ("Borrower"). The trustee is

Klamath. Falls, OR.97601 Borrower owes Lender the principal sum of FOURTEEN THOUSAND THREE HUNDRED TEN AND NO/100-dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on CCLOBER 21, 1999 Secures to Lender (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and Security Instrument; and (c) the performance of Borrower's to Trustee, in trust, with power of sale, the following described property located in Klamath Conveys to Trustee, in trust, with power of sale, the following \*(d) The repayment of any future advances, with interest thereon, made to Borrower \*(d) The repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to the paragraph below ("Future Advances"), FUTURE ADVANCES. Upon request of Borrower, Lender, at Lender's option prior to

full reconveyance of the Property by Trustee to Borrower, may make Future Advances to Borrower accSuch Future Advances, with interest thereon, shall be secured by

this Deed of Trust when evidenced by promissory notes stating that said notes are this Deed Of Frustawnen evidenced or promissory notes scatting that saturnotes are secured hereby, to a dot which and and buoth over the security instrument program is the secure of th

Lot 21, Block 5 of Oregon Shores'Subdivision, County of Klamath, State of Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon broud wather the office of the Monthered Mathematical Mark Monthered Monthered V-151914 Potential and provide the potential and the provide the potential of the p

THIS LOAN IS ASSUMABLE AT THE SAME RATE OF INTEREST UPON APPROVAL BY KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION. CONF. OF UNE OF INTEREST UPON APPROVAL BY KLAMATH Note third, to amounts payable under paragraph 2, fourth, 10, interest, duriand list, to principal due paragraphs 1 and 2 shult be applied: licht to late charges die under the Moles second, for prepayment charges dec under the

application is a credit apparent the sum- occured by this Security Instrument. 3. Application of Payments. Unlest applicable law provider otherwise, all payments received by twater areas a paragraphs 1 and 2 shall be anolised from to tota characterization that Note: second for account of ones the mater the and "See attached Adjustable Rate Loan Riden made a part herein son or hender and

any Funds held by Lender. If under paragraph to the Property is sold or acquired by Insuler Lender shell apply, he later than in 266 SIGTERCHER AND INTERDIE. MAGE TOSHISK TORIGHT IN THE CONTRACT SHELL AND A SIGNAL AND A SIGNAL AND A Upon payment in fuil of all sums second by this becault Increment, Lemier shall provide the structure to trans-mak held be transfer to meles discussion to the Persectoric solution and by London London Constration in transenount necessary to make up the deficiency in one of more required as redom? I by Lender There are not set and set allowed and set anount of the Fuelds held by Lender is not sufficient to pay the rearest tiens when the Hurtower shall pay to be derive any encount measures to a material but material pay to be derived and encount measures to material pay and the derived and the derived

a: Burrower's option, either protapily regail to Borrower or creaties to Borrower on toombil), optiments of Finans, ti the around of the Funde half to Tender is not contained in heav the reference trans. About the Hinterimer restlement of the ine due dates of ine escrow items shall escretche amount sequired to pay the escrow (COS when due the exercision items and a mount sequire of the end of the If the amount of the Funds note by Lender, together with the future monthly producing of Funds payable (roce to A dame of the corran frame shall as a set the annual control to see the second frame when the the second second

It ips should of the Loads here pA Fearer' roleiper with the birth usually a basilence is huge basile to the birth of the TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights,

appurtenances; rents; (royalties; mineral; joil) and (gas] rights and profits; water rights and stock and all fixtures now or appurtenances, reins, royantes, mineral, our and gas rights and pronts, water rights and stock and/an instances now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." In or a public including in Singura and a start of the BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants

and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record. THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with

limited variations by jurisdiction to constitute a uniform security instrument covering real property in the data the security instrument covering real property in the security instrument covering real property in the security instrument covering real property instrument covering the security instrument covering real property instrument covering The principal of and interest on the rest is the first and the Charges (burlished with the principal of and interest on the rest rest on the rest of the principal of and interest on the rest break and the principal of and interest of the rest rest of the principal of and interest of the rest break and the principal of and interest of the rest break and the principal of and interest of the rest break and the rest of the rest break and the rest bre OREGON-Single Family-FNMA/FHLMC UNIFORM INSTRUMENT

33.5053-005pa

ang de

13363

 $\{1,1\}$ 

Security instrument. Unless borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower or second please return to kinner when redenil

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Any amounts disbursed by Lender under this paragraph / shall become additional debt of borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from

7. Protection of Lender's Rights in the Property; Mortgage insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect and a proceeding in heatball or condemnation or to enforce laws or covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums'secured by a lien which has priority over this Security Instrument appearing in court paying rescanable attention? Consist interval on the Property to make remain. Although In the Property. Lender's actions may include paying any sums secured by a nen which has priority over this security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially o. Freservation and intaintenance of Froperty; Leasenoids. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Porrowar shall comply with the provisions of the lease and if Porrowar securities for title to the Deporty the leasehold and Change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasenoid, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and 7. Protection of Lender's Rights in the Property; Mortgage Insurance.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security

Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin he notice is given. A second s

and Lender. Lender may make proof of loss II not made promptly by borrower. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be product to the annual but this Capacity Instrument, whether or not then due, with any excess naid to Borrower. If restoration or repair is not economically leasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If applied to the sums secured by this security instrument, whether or not then due, with any excess paid to borrower. If Borrower abandons the Property, of does not answer within 30 days a notice from Lender that the insurance carrier has offered to cettle a claim, then I and a make collect the insurance proceeds I and a make the proceeds to reacide to

unreasonably withheld. All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all resists of poid portions and renewals in the event of loss Borrower shall give prompt notice to the insurance all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance

insured against toss by fire, nazards included within the term (extended coverage and any other nazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be

agreement satisfactory to Lender suboromating the nen to this security instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien Borrower chall entiefy the Borrow the Borrow of the actions set forth above within 10 days the reoperty is subject to a nen which may attain priority over this Security instrument, Lender may give borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days 5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property 5. Frazard insurance. porrower shall keep the improvements now catsuing of nercance created on the rioperty insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender

s evidencing the payments: Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) in writing to the payment of the obligation counted by the lien in a manner accentable to Lender. (b) contests in good Borrower snau promptly discharge any nen which has priority over this becurity instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by or defauld prainet enforcement of the lien in the lien which in the Lender's opinion constants to agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (D) contests in good faith the lien by, or defends against enforcement of the lien in; legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an to the lien and the lien to the lien t prevent the enforcement of the nen or fortenture of any part of the Property; of (c) secures from the noncer of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument. I order may give Portours a

Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due. 4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the mainer provided in paragraph 2, or if not paid in that mainer, Borrower shall nav them on time directly to the percent owed navement. Borrower shall promptly furnish to Lender all notices of amounts pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Portower shall promptly furnish to Lender all notices of amounts pay them on time directly to the person owed payment. Borrower shall promptly turnish to Lender an notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender

 application as a creait against the sums secured by this Security Instrument.
3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; second due the Note; sec Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due,

application as a credit against the sums secured by this Security Instrument.

t necessary to make up the denciency in one or more payments as required by Lender. Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly retund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a gradit against the sume secured by this Security Instrument.

curity instrument. The Funds held by Lender, together with the future monthly payments of Funds payable prior to the amount of the Funds near by Lenger, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Demonstry's option with a promotive provide to Portugite to Portugite of Portugite of Funds 16 the at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the at Borrower's option, eitner promptly repaid to Borrower or credited to Borrower on monthly payments of runds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any

state agency (including Lender if Lender is such an institution). Lender shall apply the runds to pay the escion items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender may not charge for holding and applying the runds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender pays Borrower interest on the runds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower without observe an applicable law borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds. Lender suppose for which each debit to the Funds model. The Funds are cloded and different counting for the suppose for which each debit to the Funds was model. The Funds are cloded and different counting for the suppose for which each debit to the Funds was model. The Funds are cloded and different counting for the suppose for which each debit to the Funds was model. The Funds are cloded and different counting for the suppose for which each debit to the Funds was model. The Funds are cloded and different counting for the suppose for shan give to horrower, without enarge, an annual accounting of the runds showing creans and deoits to the runds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by the Security Institutional security for the sums secured by

to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly has of our rent data and reasonable estimates of further escrew items." Lender may estimate the Funds due on the The Funds shall be held in an institution the deposits of accounts of which are insured or guaranteed by a federal or some final states to react the formula I ne runds snall de neig in an institution the deposits or accounts of which are insured or guaranteed by a lederal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items.

OBECOM State THE ALTER THE ALTER THE ALTER AND A STREET THE ALTER 1. Payment or Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when d the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Carter Carlo Call C

17406

n de la constante de la constan La constante de la constante de

8. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. The property, the proceeds shall be applied to the sums secured by this Security

Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note of this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

Note are declared to be severable. Borrower shall be given one conformed copy of the Note and of this Security Instrument. 16. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument. 17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

Non UNIFORM COVENANTS Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies, Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 breach of any covenant of agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a data not lace then 30 days from the data the notice is given to Romovar by which the default must be cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums and (a) that failure to cure ine default on or before the date specified in the notice may result in acceleration of the sums secured by this Security. Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to being a court action to accert the non-ovisions of a default or any other reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not suited on a before the default or any other to acceleration and sale. reinstate after acceleration and the right to pring a court action to assert the non-existence of a detault or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender of its option may require immediate normant in 6.0 of all sume focured by this Socurity Instrument without further derense or borrower to acceleration and sale. It the default is not cured on or before the date specified in the notice, Lenuer at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and the security Instrument without further at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect of Arnonese inclured in many interview the provided in this compare to including but not limited to

collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to,

Is one anorneys nees and costs or nue evidence. If Lender, invokes, the power of sale, Lender, shall execute or cause Trustee to execute a written notice of the 11 Lenger, invokes the power of sale, Lenger shall execute or cause trustee to execute a written house of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which one post of the Droperty is leasted. I order or Trustee shall nive notice of sale in the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such nonce to be recorded in each county in which any part of the Property is located. Lender or Trustee shall give notice of sale in the recorded in each county in which any part of the Property is located. Lender or i rustee shall give notice of sale in the manner prescribed by applicable law to Borrower and to other persons prescribed by applicable law. After the time to any institution to the biological the Deposite of multiplicable law.

manner prescribed by applicable law, to borrower and to other persons prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designed in the action of call in the property at public auction to the highest required by applicable law, I rustee, without demand on Borrower, shall sell the Property at public auction to the angest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may posthone sale of all or any parcel of the Droperty by public approximation at the time and bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously echoduled sole. Tender or its decigned may purchase the Property of any sole. place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale. of any previously scheduled sale, Lender or its designed may purchase the reoperty at any sale. Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, Trustee snan denver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made

expressed or implied, i ne recitais in the i rustee's deed shall be prima facie evidence of the truth of the statements make therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not imited to reconcile Trustee's and ottomore that (b) to all sume control by this Security Instruments and (c) only avoids therein, i rustee snail apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess 20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in person, by agention by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the property is abade to be provided to a first the property of the property is a state of the property of the person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver the locate of the Property and collection of rents including but not shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to receiver's face premiums on receiver's bands and reasonable attorneys' face, and then to the sums secured by snall be applied first to payment of the costs of management of the Property and collection of rents, including, out not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument is under to Bouloged December in nis security instrument is units to not instrument of all sums secured by this Security Instrument, Lender shall request Trustee to another the Departity and shall be secured by this Security Instrument, and all notes evidencing debt secured by this Security

21. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lenger shall request a fusice to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee Charge to the person of persons. reconvey the Property and shall surrender this Security instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such herein or persons chall not environdetion coste legally entitled to it. Such person or persons shall pay any recordation costs. 22. Substitute Trustee. Lender may from time to time remove Trustee and appoint a successor trustee to any 22. Substitute Trustee. Lender may from time to time remove Trustee and appoint a successor trustee to any power and duties conferred upon Trustee herein and by applicable law

23. Use of Property. The Property is not currently used for agricultural, timber or grazing purposes. 24. Attorneys' Fees. As used in this Security Instrument and in the Note, "attorneys' fees" shall include any

24. Attorneys: Kees. As used in this Security instrument and in the inore, attorneys ices shall include any attorneys' fees awarded by an appellate court. 25. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with the such such such such such rider shall be incorporated into and shall amend and 45. Riners to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and this Security instrument. this Security instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Adjustable Rate Rider Contoninium Rider Condominium Rider Condomin

Other(s) [specify] and and a function of the contract of the second states of the second stat By SIGNING BELOW: Borrower accepts and agrees to the terms and covenants contained in this Security By SIGNING BELOW. Borrower accepts, and agrees to the terms and in any rider(s) executed by Borrower and recorded with it. Anon much and in only much of examinences proceedings and the proceedings are proceedings and the proceedings are proceedings and the proceedings are proceedings are

Anstrument and in any inder(s) executed by Borrower, and recorded with it.

The Property is abandoned by Borrower fulls in reasonal in a subject of the property of the subject of the property of the pro

STATE OF A COUNTY OF CONTRACT OF THE INFORMATION STATE OF THE INFORMATION STATE OF THE INFORMATION OF THE IN

The foregoing instrument was acknowledged before me this. September 23, 1987 by ... DAVID A. LONDEORG, and QUOVET C. LONDEORG, Husband and Wife My Commission expires S2WH -98 to use the second secon an and the state of the

This instrument was prepared by .Klamath, First, Federal, Savings, and Loan. Association,

### **ADJUSTABLE RATE LOAN RIDER**

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. IN-CREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to ..... KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

(the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at .Lot. 21, Block 5 of Oregon Shores Subdivision, Chiloquin, Oregon 97624 Property Address

Modifications. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

#### A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note has an "Initial Interest Rate" of .8.59%. The Note interest rate may be increased or decreased on the 1st day of the month beginning on ...... March. 1...., 19.89... and on that day of the month every ... 12, months thereafter.

Changes in the interest rate are governed by changes in an interest rate index called the "Index". The Index is the: [Check one box to indicate Index.]

(1) Interest Rate, Purchase of Previously Occupied Homes, National Average for all Major Types of Lenders" published by the Federal Home Loan Bank Board.

#### 

[Check one box to indicate whether there is any maximum limit on changes in the interest rate on each Change Date; if no box is checked there will be no maximum limit on changes.

□ There is no maximum limit on changes in the interest rate at any Change Date. A)

The interest rate cannot be changed by more than . 1.00 percentage points at any Change Date. \*SEE NOTE (2) BELOW

If the interest rate changes, the amount of Borrower's monthly payments will change as provided in the Note. Increases in the interest rate will result in higher payments. Decreases in the interest rate will result in lower payments.

**B. LOAN CHARGES** 

It could be that the loan secured by the Security Instrument is subject to a law which sets maximum loan charges and that law is interpreted so that the interest or other loan charges collected or to be collected in connection with the loan would exceed permitted limits. If this is the case, then: (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. **C. PRIOR LIENS** 

If Lender determines that all or any part of the sums secured by this Security Instrument are subject to a lien which has priority over this Security Instrument, Lender may send Borrower a notice identifying that lien. Borrower shall promptly act with regard to that lien as provided in paragraph 4 of the Security Instrument or shall promptly secure an agreement in a form satisfactory to Lender subordinating that lien to this Security Instrument. **D. TRANSFER OF THE PROPERTY** 

If there is a transfer of the Property subject to paragraph 17 of the Security Instrument, Lender may require (1) an increase in the current Note interest rate, or (2) an increase in (or removal of) the limit on the amount of any one interest rate change (if there is a limit), or (3) a change in the Base Index figure, or all of these, as a condition of Lender's waiving the option to accelerate provided in paragraph 17.

By signing this, Borrower agrees to all of the above.

\*With a limit on the interest rate adjustments during the life of the loan of plus or minus three (±3.00) percentage points.

.. (Seal) Borrower tom Londborg

.(Scal)

174(8

cked, and Lender and Borrower do not otherwise agree in writing, the first Index named will apply. ADJUSTABLE RATE LOAN RIDER-6/01-FRAME UNIFORM INSTRUMENT 44208.4 BAER

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request o	f. Klamath First Federal Sav	ings & Loan 24th .
of <u>September</u>	A.D., 19 87 at 3:47 o'clock	P M., and duly recorded in Vol. M87
0	f <u>Mortgages</u>	on Page 17404
FEE \$21.00	By	elyn Biehn, County Clerk